

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Far East Consortium International Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser(s) or transferee(s).

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**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**  
**遠東發展有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.fecil.com.hk>*

**(Stock Code: 35)**

**PROPOSALS FOR  
RE-ELECTION OF DIRECTORS,  
GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND ISSUE SHARES,  
BONUS ISSUE OF SHARES,  
ADOPTION OF A NEW SHARE OPTION SCHEME,  
AMENDMENTS TO THE MEMORANDUM AND  
ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Far East Consortium International Limited (the "Company") to be held at Theatre R1 & R2, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 August 2022 at 11:00 a.m. (the "Meeting") is set out on pages 53 to 60 of this circular. Whether or not you are able to attend the Meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible and in any event not less than 48 hours before the time appointed for holding the Meeting (i.e. not later than 11:00 a.m. on Sunday, 28 August 2022 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof if you so wish.

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

In view of the recent developments of COVID-19 pandemic, and taking into consideration of the guidelines issued by the Government of Hong Kong, the Company will implement the following preventive measures at the Meeting to protect attending shareholders from the risk of infection:

- compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue;
- every shareholder or proxy is required to wear surgical face mask throughout the Meeting;
- every shareholder or proxy is required to scan "LeaveHomeSafe" venue QR code and comply with the Vaccine Pass requirements prior to entry into the meeting venue;
- no refreshment will be served; and
- no souvenirs will be distributed.

Any person who does not comply with the precautionary measures may be denied entry into the Meeting venue.

The Company wishes to remind all shareholders that physical attendance in person at the Meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the Meeting as their proxy to vote on the relevant resolutions at the Meeting as an alternative to attending the Meeting in person.

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## EXPECTED TIMETABLE

The following is a summary of the events in relation to the Annual General Meeting, the Final Dividend and the Bonus Issue and the date upon which these events are currently expected to take place:

<b>Events</b>	<b>Date</b>
Latest time for lodging transfer of Shares for entitlement to attend and vote at the AGM .....	4:30 p.m. on Wednesday, 24 August 2022
Closure of register of members for determining entitlement to attend and vote at the AGM .....	Thursday, 25 August 2022 to Tuesday, 30 August 2022 (both days inclusive)
Latest time for lodging the proxy form for the AGM .....	11:00 a.m. on Sunday, 28 August 2022
Record date for entitlement to attend and vote at the AGM .....	Tuesday, 30 August 2022
AGM .....	11:00 a.m. on Tuesday, 30 August 2022
Announcement of poll results of the AGM .....	Tuesday, 30 August 2022
Register of members re-opens .....	Wednesday, 31 August 2022

The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Conditions of the Bonus Issue” in this circular.

Last day of dealings in Shares cum-entitlement to the Final Dividend and the Bonus Shares .....	Friday, 2 September 2022
First day for dealings in Shares ex-entitlement to the Final Dividend and the Bonus Shares .....	Monday, 5 September 2022
Latest time for lodging transfer of Shares for entitlement to the Final Dividend and the Bonus Shares .....	4:30 p.m. on Tuesday, 6 September 2022 ( <i>Note ii</i> )
Closure of register of members for determining entitlement to the Final Dividend and the Bonus Shares .....	Wednesday, 7 September 2022 to Wednesday, 14 September 2022 (both days inclusive)

## EXPECTED TIMETABLE

<b>Events</b>	<b>Date</b>
Record Date for entitlement to the Final Dividend and the Bonus Shares . . . . .	Wednesday, 14 September 2022
Register of members re-opens . . . . .	Thursday, 15 September 2022
Despatch of share certificates of Bonus Shares . . . . .	Thursday, 22 September 2022
Dealings in Bonus Shares commence . . . . .	9:00 a.m. on Friday, 23 September 2022
Despatch of dividend warrants and share certificates relating to the Final Dividend . . . . .	Monday, 24 October 2022

*Notes:*

- (i) All times in this circular refer to Hong Kong time.
- (ii) The latest time for lodging transfer of Shares will not be valid if a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by a super typhoon, or a “black” rainstorm warning is in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m. on 6 September 2022. Instead the deadline for lodging transfer of Shares will be rescheduled to 4:30 p.m. on the next business day which does not have either of those warnings in force at any time between 12:00 noon and 4:30 p.m.

## DEFINITIONS

*In this circular (other than in AGM Notice), unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Theatre R1 & R2, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 August 2022 at 11:00 a.m.;
“AGM Notice”	the notice dated 28 July 2022 for convening the AGM as set out on pages 53 to 60 of this circular;
“Articles”	the articles of association of the Company as may be amended from time to time;
“Board”	the board of Directors;
“Bonus Issue”	the proposed issue of Bonus Shares on the basis of one (1) Bonus Share for every ten (10) existing Shares held on the Record Date by the Qualifying Shareholders;
“Bonus Share(s)”	the new Share(s) to be allotted, issued and credited as fully paid-up Shares under the Bonus Issue;
“Business Day(s)”	day(s) (other than Saturday and day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Chiu Family”	Tan Sri Dato’ David CHIU and his family members including, amongst others, Mr. Dennis CHIU and Ms. Wing Kwan Winnie CHIU, each of them being a Director;
“Company”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Connected Person(s)”	has the meaning as ascribed thereto in the Listing Rules;

## DEFINITIONS

“Director(s)”	the director(s) of the Company for the time being;
“Dorsett”	Dorsett Hospitality International Limited (formerly known as Kosmopolito Hotels International Limited), a company incorporated in the Cayman Islands with limited liability and a listed subsidiary of the Company until it was privatized (previous stock code: 2266) and became an indirect wholly-owned subsidiary of the Company in October 2015;
“Eligible Employee”	employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, its subsidiaries or any Invested Entity;
“Existing Share Option Scheme”	the existing share option scheme of the Company which was adopted by the Company on 31 August 2012;
“Final Dividend”	the final dividend of the Company for the year ended 31 March 2022 which will be paid in the form of a scrip dividend with Shareholders being given an option to elect to receive cash in lieu of all or part of their scrip dividend entitlements;
“Grantee(s)”	Participant(s) who accepted the Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which the Group holds any equity interest;
“Latest Practicable Date”	20 July 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;

## DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum”	the memorandum of association of the Company as may be amended from time to time;
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the AGM, a summary of principal terms of which is set out in Appendix 3 to this circular;
“Non-qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Board, after making enquiries, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of any relevant foreign regulatory body or stock exchange in that place not to extend the Bonus Issue to them;
“Offer”	the offer of the grant of an Option made in accordance with the New Share Option Scheme;
“Offer Date”	the date on which the Board makes an Offer to any Participant;
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme;
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company is(are) outside Hong Kong;
“Participant(s)”	any person belonging to any of the following classes of person: <ul style="list-style-type: none"><li>(a) any Eligible Employee;</li><li>(b) any non-executive director (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;</li><li>(c) any supplier of goods or services to any member of the Group or any Invested Entity;</li><li>(d) any customer of the Group or any Invested Entity;</li></ul>

## DEFINITIONS

	(e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and
	(f) any advisers, consultants, distributors, contractors, agents, business partners, joint venture partners, promoters, service providers and shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
“Qualifying Shareholder(s)”	holder(s) of Share(s), not being Non-qualifying Shareholder(s), whose addresses as shown on the register of members of the Company on the Record Date who are entitled to the Bonus Issue;
“Record Date”	14 September 2022, being the date for determination of entitlements to the Final Dividend and Bonus Shares;
“Re-election of Directors”	the re-election of Mr. Craig Grenfell WILLIAMS as an Executive Director and Mr. Lai Him Abraham SHEK as an Independent Non-executive Director immediately following their retirements at the AGM;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in the provisions of the New Share Option Scheme, subject to adjustment in accordance with the New Share Option Scheme;



## DEFINITIONS

“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs;
“Trading Day(s)”	day(s) on which the Stock Exchange is open for the trading of securities; and
“%”	per cent.



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**遠東發展有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.fecil.com.hk>*

**(Stock Code: 35)**

*Executive Directors:*

Tan Sri Dato' David CHIU  
*(Chairman and Chief Executive Officer)*  
Mr. Cheong Thard HOONG  
Mr. Dennis CHIU  
Mr. Craig Grenfell WILLIAMS  
Ms. Wing Kwan Winnie CHIU

*Independent Non-executive Directors:*

Mr. Kwok Wai CHAN  
Mr. Kwong Siu LAM  
Mr. Lai Him Abraham SHEK

*Registered Office:*

P.O. Box 1043, Whitehall House  
238 North Church Street  
George Town  
Grand Cayman KY1-1102  
Cayman Islands

*Principal Office:*

16th Floor  
Far East Consortium Building  
121 Des Voeux Road Central  
Hong Kong

28 July 2022

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
RE-ELECTION OF DIRECTORS,  
GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND ISSUE SHARES,  
BONUS ISSUE OF SHARES,  
ADOPTION OF A NEW SHARE OPTION SCHEME,  
AMENDMENTS TO THE MEMORANDUM AND  
ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is (1) to provide you with information regarding the resolutions to be proposed at the AGM relating to (among other things) (i) the Re-election of Directors; (ii) the granting of general mandates to repurchase and issue Shares by the Company; (iii) the Bonus Issue; (iv) the adoption of the New Share Option Scheme; and (v) the amendments to the Memorandum and Articles; and (2) to give you the AGM Notice.

\* *For identification purposes only*

## LETTER FROM THE BOARD

### 2. RE-ELECTION OF DIRECTORS

In accordance with the Articles, Mr. Craig Grenfell WILLIAMS (Executive Director of the Company), Mr. Kwok Wai CHAN (Independent Non-executive Director of the Company) and Mr. Lai Him Abraham SHEK (“Mr. SHEK”, Independent Non-executive Director of the Company) shall retire by rotation at the AGM. Mr. Kwok Wai CHAN has indicated to the Company that he will not offer himself for re-election and will therefore retire at the 2022 AGM whereas Mr. Craig Grenfell WILLIAMS and Mr. Lai Him Abraham SHEK will offer themselves for re-election at the AGM.

Currently, Mr. SHEK is holding more than seven listed company directorships including the directorship as an Independent Non-executive Director of the Company as disclosed in the biographical information set out in Appendix 1 to this circular. Mr. SHEK has attended all the Board meetings and Board committees meetings during the financial year ended 31 March 2022 and has remained responsible in performance of his functions and discharge of his duties to the Company through active participation and discussion, bringing balance of views as well as knowledge, experience and expertise. Besides, Mr. SHEK has confirmed that he would continue to devote sufficient time and attention to the affairs of the Company. With his background and experience as set out in the biographical information, Mr. SHEK is fully aware of the responsibilities and expected time involvements in the Company.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s Board Diversity Policy and Director Nomination Policy and the Company’s corporate strategy, and the independence of all Independent Non-executive Directors. The Nomination Committee has recommended to the Board on the Re-election of Directors who are due to retire at the AGM.

Based on the foregoing, the Board considered that (i) Mr. SHEK would be able to devote sufficient time to the Board and Mr. SHEK’s directorship outside the Company would not affect him in maintaining his current role in, and his functions and responsibilities for, the Company; (ii) Mr. SHEK is independent in accordance with the independence guidelines set out in the Listing Rules; and (iii) all the retiring Directors (including Mr. SHEK) would continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. On this basis, the Board has recommended the Shareholders to vote for the relevant ordinary resolutions on the Re-election of Directors (including the re-election of Mr. SHEK as an Independent Non-executive Director) at the AGM.

Accordingly, ordinary resolutions on the Re-election of Directors will be proposed at the AGM. Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders’ approval at that relevant general meeting. The requisite details of Mr. Craig Grenfell WILLIAMS and Mr. SHEK are set out in Appendix 1 to this circular.

## LETTER FROM THE BOARD

### 3. GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 24 August 2021, an ordinary resolution was passed to grant a general mandate authorizing the Directors to exercise the power of the Company to repurchase Shares up to 10% of the total number of issued Shares as at that date. Pursuant to the Listing Rules, such mandate, to the extent not utilized, will expire at the conclusion of the AGM.

An ordinary resolution will therefore be proposed at the AGM to grant to the Directors a new general and unconditional mandate to exercise the power of the Company to repurchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, up to 10% of the total number of issued Shares as at the date of passing of the relevant resolution (the "Repurchase Mandate").

Subject to the passing of ordinary resolution no. 8 granting the Repurchase Mandate and assuming that the existing number of issued Shares remains at 2,419,618,679 as at the date of the AGM, the Company will be allowed to repurchase a maximum of 241,961,867 Shares. The Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the ordinary resolution no. 8.

In accordance with the requirements of the Listing Rules, the Company is required to send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against ordinary resolution no. 8 to be proposed at the AGM in relation to the granting of the Repurchase Mandate. Such explanatory statement is set out in Appendix 2 to this circular.

### 4. GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 24 August 2021, an ordinary resolution was also passed to grant a general mandate authorizing the Directors to allot, issue and deal with Shares up to 20% of the total number of issued Shares as at that date. Pursuant to the Listing Rules, such mandate, to the extent not utilized, will expire at the conclusion of the AGM.

An ordinary resolution will therefore be proposed at the AGM to grant to the Directors a new general and unconditional mandate to allot, issue and deal with Shares up to 20% of the total number of issued Shares as at the date of passing of the relevant resolution (the "Issue Mandate").

## LETTER FROM THE BOARD

Subject to the passing of ordinary resolution no. 7 granting the Issue Mandate and assuming that the existing number of issued Shares remains at 2,419,618,679 as at the date of the AGM, the Company will be allowed to issue a maximum of 483,923,735 Shares. The Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the ordinary resolution no. 7.

In addition, ordinary resolution no. 9 will be proposed at the AGM for extending the Issue Mandate by adding the total number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

With reference to the Repurchase Mandate and the Issue Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

### **5. BONUS ISSUE OF SHARES**

#### **Basis of the Bonus Issue**

To celebrate the Company's 50th anniversary since its Shares were listed on the Stock Exchange, the Board has recommended a bonus issue of shares on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders whose names appear on the Company's register of members on the Record Date.

Assuming that no further Shares will be issued or repurchased on or before the Record Date, on the basis of 2,419,618,679 existing Shares in issue as at the Latest Practicable Date, it is expected that a total of 241,961,867 Bonus Shares would be allotted and issued under the Bonus Issue, representing 10% of the existing issued share capital of the Company as at the Latest Practicable Date. Upon completion of the Bonus Issue, there will be a total of 2,661,580,546 Shares in issue as enlarged by the Bonus Issue.

The Bonus Shares will be credited as fully paid at par by way of capitalisation of the amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company.

Subject to the conditions set out under the paragraph headed "Conditions of the Bonus Issue" below, the Bonus Shares will be issued and credited as fully paid at par value on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date.

#### **Reasons for and benefits of the Bonus Issue**

The Board believes that the Bonus Issue will allow the Shareholders to enjoy a pro-rata increase in the number of Shares held by them in the Company without incurring any costs to them. Although the price per Share on an ex-entitlement basis is expected to reduce proportionately and the Bonus Issue is not expected to increase the Shareholders' proportionate equity interests in the Company, the Bonus Issue will increase the number of Shares to be held by the Shareholders, which will afford them with more flexibility in

## LETTER FROM THE BOARD

managing their own investment portfolios such as giving them the opportunity to dispose of a portion of the Shares to realise a cash return to meet the individual Shareholder's financial needs or to make a capital gain under favourable market condition whilst at the same time choosing to hold the remaining portion of the Shares for long term investment to receive more cash dividend in the future.

In determining the ratio of the Bonus Issue on the basis of one (1) Bonus Share for every ten (10) existing Shares, the Board has considered (i) the number of Bonus Shares that the Company can issue having taken into account the existing authorised share capital of the Company (i.e. HK\$400,000,000 divided into 4,000,000,000 Shares) and the number of issued Shares as at the Latest Practicable Date (i.e. 2,419,618,679 Shares in issue); and (ii) the existing board lot size of 1,000 Shares, with a view to minimising the creation of odd lots and aggregation of fractional Shares as a result of the Bonus Issue.

The Company has considered alternative methods such as share subdivision and change in board lot size. However, as compared to the Bonus Issue, these alternative methods involve more administrative procedures, such as arrangements for parallel trading and exchanging new share certificates for existing share certificates. Having considered the above, the Board is of the view that the Bonus Issue is the most appropriate in the circumstances.

Based on the above, the Directors consider that the Bonus Issue is in the interests and for the benefits of Shareholders.

### **Conditions of the Bonus Issue**

The Bonus Issue is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM for approving the Bonus Issue; and
- (b) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Bonus Shares.

### **Listing, Dealings and Share Certificates for the Bonus Shares**

As at the Latest Practicable Date, the Company has no outstanding options, convertible bonds, warrants or other similar securities which are convertible into Shares prior to the Record Date.

Application will be made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Bonus Issue. Subject to the listing permission from the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares commence on the Stock Exchange or such other date as shall be determined by HKSCC.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Issue on any stock exchange other than the Stock Exchange.

## LETTER FROM THE BOARD

It is expected that share certificates for the Bonus Issue will be posted by ordinary post on or before Thursday, 22 September 2022, after all the conditions of the Bonus Issue have been fulfilled, at the risk of the Qualifying Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. In the case of joint holding, the share certificates will be posted to the address of the person whose name stands first on the register of members on the Record Date. One share certificate will be issued for all the Bonus Shares a shareholder is entitled to. Investors holding Shares through CCASS participants will receive the Bonus Shares through their respective brokers or custodians who are CCASS clearing or custodian participants or through their CCASS Investor Participant stock account.

Subject to fulfillment of all conditions of the Bonus Issue, dealings in the Bonus Shares on the Stock Exchange are expected to commence on Friday, 23 September 2022.

### **Status of the Bonus Issue of Shares and Fractional Entitlements**

The Bonus Shares, upon issuance, will rank *pari passu* in all respects with the existing Shares from their date of issue except that they are not entitled to the Final Dividend and will not rank for the Bonus Issue.

The Bonus Issue is non-renounceable. The total number of Bonus Shares to be issued to a Qualifying Shareholder will be calculated on a pro-rata basis and will be rounded down to the nearest whole number if there is any fractional entitlement of the Bonus Shares. There will not be any fractional entitlements to the Bonus Shares. Bonus Shares representing fractional entitlement will be aggregated and issued to a nominee to be nominated by the Board. Such Bonus Shares (if any) will be sold and the net proceeds, after deducting the related expenses therefrom, will be retained by the Company for its own benefits.

The Bonus Shares arising from the Bonus Issue may be allotted in odd lot (i.e. less than a board lot of 1,000 Shares). As the number of Bonus Shares to be issued is only equal to approximately 10% of the total number of issued Shares as at the Latest Practicable Date, the scale of the Bonus Issue is considered not significant and therefore no special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of the Bonus Shares that may be issued in odd lots as a result of the Bonus Issue. If such special dealing arrangements are to be made, the Company will have to engage an agent to provide odd lot matching services, which will inevitably increase the overall administration costs and expenses to be incurred by the Company in connection with the Bonus Issue.

### **Closure of Register of Members**

In order to determine Shareholders who are qualified for the Bonus Issue, the register of members of the Company will be closed from Wednesday, 7 September 2022 to Wednesday, 14 September 2022 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for the Bonus Issue, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) not later than 4:30 p.m. on Tuesday, 6 September 2022.

## LETTER FROM THE BOARD

### Overseas Shareholders

For those Overseas Shareholders, enquiries have been made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Non-qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100, in which case it will be retained for the benefit of the Company.

Based on the register of members of the Company as at the Latest Practicable Date, the Company had Overseas Shareholders with registered addresses in Australia, Brunei, Canada, France, Macau, Malaysia, New Zealand, People's Republic of China, Singapore, United Kingdom and United States of America. Assuming as at the Record Date there will be no change to the aforesaid jurisdictions in which the registered addresses of the Overseas Shareholders were located, the Company will issue the Bonus Shares to the Overseas Shareholders.

This circular and any other document or material issued in connection with the Bonus Shares have not been and will not be registered as a prospectus with the relevant authority of the above jurisdictions. The Bonus Shares are issued to the Shareholders in the above jurisdictions without the requirement of registration or pursuant to applicable exemptions or otherwise on an unregistered basis and not with a view of these shares being on-sold in the relevant jurisdiction, and no documents issued by or on behalf of the Company (including this circular) are permitted to be used, circulated or distributed in such jurisdiction (other than Malaysia) for any reason whatsoever, including any subsequent sale.

The Overseas Shareholders (qualifying for the Bonus Issue) should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive and deal with the Bonus Shares or to subsequently sell the Bonus Shares in their respective jurisdictions. It is the responsibility of the Shareholders who wish to receive the Bonus Shares under the Bonus Issue or to sell the Bonus Shares to comply with the laws of the relevant jurisdiction(s) to which they are subject. This circular is for the Overseas Shareholders' information only subject to compliance with the relevant local laws, regulations and requirements.

Overseas Shareholders (if any) receiving a copy of this circular concerning the Bonus Issue may not treat the same as an invitation to participate in the Bonus Issue unless such invitation could lawfully be made to him/her/it without having to comply with any registration and/or other legal requirements in the relevant territory.



## LETTER FROM THE BOARD

In addition, based on the “CCASS Shareholding Search” available on the Stock Exchange’s website, there were investors from the PRC holding shares of the Company through China Securities Depository and Clearing Corporation Limited (“ChinaClear”) as nominee under Shanghai Connect and Shenzhen Connect (the “PRC Southbound Trading Investors”). As at the Latest Practicable Date, 507,013 Shares, representing approximately 0.02% of the existing issued Shares, were held by ChinaClear. ChinaClear is a CCASS Participant with HKSCC Nominees.

In view of the legal advices received from the legal advisor of the said jurisdiction, there are no legal restrictions under the laws or regulatory requirements of that jurisdiction for PRC Southbound Trading Investors to receive the Bonus Shares. Pursuant to the Stock Exchange’s Frequently Asked Questions Series 29 effective on 17 November 2014 and updated on 4 November 2016 and 13 July 2018 on the interpretation of the Listing Rules, PRC Southbound Trading Investors can participate in the Bonus Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to receive the Bonus Shares pursuant to the Bonus Issue in accordance with the relevant laws and regulations. The PRC Southbound Trading Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participants) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such intermediary in relation to the receipt of the Bonus Shares pursuant to the Bonus Issue.

### **6. ADOPTION OF A NEW SHARE OPTION SCHEME**

The Existing Share Option Scheme allowing the Company to grant share options to the Participants for the purpose of providing incentives or rewards to the Participants for their contribution to the Group, is valid and effective for a period of 10 years commencing on 31 August 2012. Accordingly, the Existing Share Option Scheme shall expire on 31 August 2022. The Directors therefore consider to adopt the New Share Option Scheme so that the Company can continue to provide incentives and/or rewards to the Participants, by way of granting options, after the expiry of the Existing Share Option Scheme. An ordinary resolution will be proposed at the AGM to approve the adoption of the New Share Option Scheme.

As at the Latest Practicable Date, there were no outstanding share options granted under the Existing Share Option Scheme.

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Participants as incentives or rewards for their contributions to the Group. The Participants include suppliers, customers, advisers, consultants, distributors, agents and joint venture partners (the “Non-Employee Participants”) who will contribute or have contributed to the Group on a continuing or recurring basis in its ordinary and usual course of business which are material to the long-term growth of the Group. The Board considers that the grant of Options to the Non-Employee Participants will offer incentives for (i) suppliers to offer more economic, quality and priority supplies to the Group; (ii) customers to maximise the quantity of their orders and increase loyalty to the Group; (iii) advisers and consultants to provide better services to the Group (for example in terms of special skills or technical knowledge to fill any void experienced by the Group) and offer

## LETTER FROM THE BOARD

discounted consultant fees; and (iv) distributors, agents and joint venture partners to maximise the quality of their service offerings to the Group, thereby optimising performance efficiency and benefiting the long-term growth of the Group.

In assessing the eligibility of the Non-Employee Participants, the Board will consider whether the Non-Employee Participants will or have contributed to the Group on a continuing or recurring basis in its ordinary and usual course of business which are material to the long-term growth of the Group. Such assessment will be based on various factors including but not limited to (i) the length of engagement and/or business relationship with the Group; (ii) track record in the quality of services provided to and/or co-operation with the Group; (iii) the Group's future business plans in relation to further collaboration with such Non-Employee Participants and the long-term support that the Group may receive accordingly; and (iv) the scale of business dealings with the Group. As such, the Board is of the view that with the adoption of the New Share Option Scheme that covers a broad category of Participants, the Group will be well-placed to incentivise those who or which have been central to the business development of the Group to make further contribution on a continuing basis.

The terms of the New Share Option Scheme provide that in granting Options under the New Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance criteria to be satisfied before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have discretion in determining the Subscription Price in respect of any Option. The Board is of the view that the flexibility given to the Directors to impose the minimum period for which the Options have to be held and performance targets and other conditions that have to be achieved before the Options can be exercised, will place the Group in a better position to attract and retain human resources that are valuable to the growth and development of the Group as a whole. There will not be any trustees of the New Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, the Company does not have any plan (i) to conduct equity fundraising activities in the next 12 months; and (ii) to grant Options under the New Share Option Scheme.

A summary of the terms of the New Share Option Scheme, which is proposed to be approved and adopted by the Company at the AGM, is set out in Appendix 3 to this circular. A copy of the New Share Option Scheme will be published on the website of the Stock Exchange and the website of the Company from the date of this circular up to and including the date of the AGM.

As at the Latest Practicable Date, there were 2,419,618,679 Shares in issue. Assuming that there is no change in the total number of Shares in issue between the period from the Latest Practicable Date up to the date of the AGM, the maximum number of Shares that may fall to be allotted and issued upon exercise in full of the Options that may be granted after the resolution authorising the Directors to allot and issue up to 10% of the then issued share capital of the Company has passed at the AGM under note 1 to Rule 17.03(3)

## LETTER FROM THE BOARD

of the Listing Rules would be 241,961,867 under the New Share Option Scheme. The maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme is 241,961,867, representing approximately 10% of the total number of shares in issue, which is within the overall limit of 30% prescribed under note 2 to Rule 17.03(3) of the Listing Rules.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of the Options have not been determined. Such variables include the exercise price, exercise period, any lock up period and other conditions, if any, that an Option is subject to. Accordingly, the Directors believe that any calculation of value of the Options as at the Latest Practicable Date based on a large number of speculative assumptions would not be meaningful and may be misleading to the Shareholders.

The New Share Option Scheme constitutes a share option scheme governed by Chapter 17 of the Listing Rules. The New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the AGM approving the adoption of the New Share Option Scheme and the allotment and issuance of the Shares, which may be allotted and issued upon the exercise of the Option(s); and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Options that may be granted under the New Share Option Scheme, being 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution.

With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules as may be amended from time to time.

Subject to the passing of the ordinary resolution no. 11 to be proposed at the AGM in relation to the adoption of the New Share Option Scheme and assuming that the existing issued share capital of the Company remains at 2,419,618,679 Shares as at the date of the AGM, the Company can grant Options to the Participants to subscribe for up to 241,961,867 Shares, representing 10% of the issued share capital of the Company as at the date of AGM. To the best knowledge of the Directors having made all responsible enquiries, none of the Shareholders has a material interest in the proposed adoption of the New Share Option Scheme and, therefore, no Shareholder is required to abstain from voting the said resolution.

An application will be made to the Stock Exchange for granting approval of the listing of, and permission to deal in, the Shares which may be issued and allotted pursuant to the New Share Option Scheme.

## LETTER FROM THE BOARD

### 7. AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Pursuant to the Consultation Conclusions on Listing Regime for Overseas Issuers published by the Stock Exchange in November 2021, the Listing Rules have been amended with effect from 1 January 2022 which requires, among others, listed issuers to adopt a uniform set of 14 “Core Standards” for shareholder protections for issuers. As such, the Board proposes to amend the existing Memorandum and Articles for the purposes of, among others, (i) bringing the existing Memorandum and Articles in line with amendments made to Appendix 3 to the Listing Rules and applicable laws of the Cayman Islands; (ii) providing flexibility to the Company in relation to the conduct of general meetings; and (iii) making other consequential and housekeeping changes.

Details of the proposed amendments to the existing Memorandum and Articles to be brought about by the adoption of the amended and restated Memorandum and Articles (marked-up against the existing Memorandum and Articles) are set out in Appendix 4 to this circular. The amended and restated Memorandum and Articles is written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the amended and restated Memorandum and Articles is purely a translation only. Should there be any discrepancy, the English version shall prevail.

The Company has been advised by its legal advisers that the proposed amendments to the Memorandum and Articles conform with the requirements of Appendix 3 to the Listing Rules and do not contravene the laws of the Cayman Islands, respectively. The Company also confirms that there is nothing unusual about the proposed amendments to the Memorandum and Articles of Association for a company listed on the Stock Exchange.

The proposed adoption of the amended and restated Memorandum and Articles is subject to the passing of a special resolution at the AGM.

### 8. AGM AND PROXY ARRANGEMENT

The AGM Notice is set out on pages 53 to 60 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the resolutions to be proposed at the AGM shall be voted by poll. An announcement on the results of the poll will be made by the Company after the conclusion of the AGM in accordance with Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, to the Company’s share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible and in any event not less than 48

## LETTER FROM THE BOARD

hours before the time appointed for holding the AGM (i.e. not later than 11:00 a.m. on Sunday, 28 August 2022 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment if you so wish.

### 9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 10. RECOMMENDATION

The Directors consider that the proposed resolutions for approval of the Re-election of Directors, the granting of the Repurchase Mandate and the granting/extension of the Issue Mandate, the Bonus Issue, the adoption of the New Share Option Scheme and the amendments to the Memorandum and Articles are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the resolutions to be proposed at the AGM.

### 11. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,  
For and on behalf of the Board of  
**Far East Consortium International Limited**  
**David CHIU**  
*Chairman and Chief Executive Officer*

<b>APPENDIX 1</b>	<b>INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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The information as required to be disclosed by the Listing Rules on the retiring Directors proposed to be re-elected at the AGM is set out as follows:

**EXECUTIVE DIRECTOR**

**Mr. Craig Grenfell WILLIAMS, B.ENG. (CIVIL) (“Mr. WILLIAMS”)**

Mr. WILLIAMS, aged 70, was appointed as an Executive Director of the Company in 2000. He is responsible for all property developments in Australia. He resides in Melbourne, Australia. He holds a degree of Bachelor of Civil Engineering from Melbourne University. Before joining the Australian operations of the Company, he was a director of all development companies of the Lend Lease Group, Australia’s largest property developer. Mr. WILLIAMS has extensive experience in all facets of property development and is the past president of the St. Kilda Road Campaign Inc.. He is also a director of various subsidiaries of the Company.

As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, Mr. WILLIAMS did not hold any directorships in other public listed companies in the last 3 years and he does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. WILLIAMS has deemed interest of 825 shares in Care Park Group Pty. Ltd., an associated corporation of the Company, within the meaning of Part XV of the SFO. These shares were held by Chartbridge Pty. Ltd. in its capacity as the trustee of The Craig Williams Family Trust, and Mr. WILLIAMS, as a beneficiary of The Craig Williams Family Trust, was deemed to be interested in these shares. Besides, Mr. WILLIAMS has a personal interest of 254,112 shares (representing approximately 1.11% of the issued shares of BC Investment Group Holdings Limited (formerly known as BC Group Holdings Limited)) in BC Investment Group Holdings Limited, an associated corporation of the Company, within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment issued by the Company to Mr. WILLIAMS, his term of office is 3 years. He is also subject to retirement by rotation and re-election at the Company’s annual general meeting in accordance with the Articles.

Mr. WILLIAMS was paid HK\$25,000 as Director’s fee and approximately HK\$5,480,000 as salary and other allowances for the year ended 31 March 2022. He was also entitled to discretionary bonus. The emoluments of Mr. WILLIAMS were determined by reference to his duties and responsibilities with the Company and the prevailing market conditions.

As far as the Directors are aware and save as disclosed above, there is no other information of Mr. WILLIAMS to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. WILLIAMS that need to be brought to the attention of the Shareholders.

<b>APPENDIX 1      INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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## INDEPENDENT NON-EXECUTIVE DIRECTOR

### **Mr. Lai Him Abraham SHEK (Alias: Abraham Razack)**

Mr. SHEK, aged 77, was appointed as an Independent Non-executive Director of the Company in June 2019. He obtained a bachelor degree of arts and a diploma in education in the University of Sydney in May 1969 and March 1970, respectively. He obtained a Juris Doctor degree in the City University of Hong Kong in June 2022. He became the honorary fellow of Lingnan University, The Hong Kong University of Science and Technology, The University of Hong Kong and The Education University of Hong Kong in November 2008, June 2014, September 2016 and March 2018, respectively. In addition to his achievements in the academic field, Mr. SHEK has also earned certain honorary titles in various ambits. He was appointed as Justice of the Peace in July 1995 and awarded the Silver Bauhinia Star and Gold Bauhinia Star in the HKSAR 2007 and 2013 Honors Lists, respectively. He has also been a member of the advisory committee board of the Independent Commission Against Corruption since January 2017. He has been a non-executive director of Mandatory Provident Fund Schemes Authority of Hong Kong until March 2021. He has also been the chairman and an independent member of the board of governors of English Schools Foundation until May 2021 and a member of the Legislative Council for the HKSAR from 2000 to 2021. Mr. SHEK is currently a member of the Honorary Member of The Hong Kong University of Science and Technology, the Court and the Council Member of The University of Hong Kong, a member of the executive committee of Hong Kong Sheng Kung Hui Welfare Council Limited, the first director (non-remunerated) of Construction Charity Fund Integrated Service Centre Limited and non-executive director (non-remunerated) of Chinese-Italian Cultural Society Limited.

In addition, Mr. SHEK is an independent non-executive director of the following listed companies and collective investment schemes, all of which are listed on the Stock Exchange: (a) Paliburg Holdings Limited (stock code: 617); (b) Lifestyle International Holdings Limited (stock code: 1212); (c) Chuang's Consortium International Limited (stock code: 367); (d) NWS Holdings Limited (stock code: 659); (e) Country Garden Holdings Company Limited (stock code: 2007); (f) Chuang's China Investments Limited (stock code: 298); (g) ITC Properties Group Limited (stock code: 199); (h) China Resources Cement Holdings Limited (stock code: 1313); (i) Lai Fung Holdings Limited (stock code: 1125); (j) Cosmopolitan International Holdings Limited (stock code: 120); (k) Everbright Grand China Assets Limited (stock code: 3699); (l) CSI Properties Limited (stock code: 497); (m) Regal Portfolio Management Limited, the manager of Regal Real Estate Investment Trust (stock code: 1881); (n) Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust (stock code: 2778); (o) Landing International Development Limited (stock code: 582); (p) Hao Tian International Construction Investment Group Limited (stock code: 1341); and (q) International Alliance Financial Leasing Co., Ltd. (stock code: 1563). He has been the independent non-executive director of Goldin Financial Holdings Limited (stock code: 530), and was appointed as vice chairman and re-designated to executive director in March 2021. Mr. SHEK has been re-designated from vice chairman to chairman of the board of Goldin Financial Holdings Limited since June 2022.

<b>APPENDIX 1</b>	<b>INFORMATION ON THE RETIRING DIRECTORS PROPOSED FOR RE-ELECTION</b>
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Mr. SHEK also served as an independent non-executive director of Dorsett from September 2010 to October 2015. Mr. SHEK was also an independent non-executive director of the following companies, all of which are listed on the Stock Exchange: (a) MTR Corporation Limited (stock code: 66) until May 2019; (b) Hop Hing Group Holdings Limited (stock code: 47) until June 2020; and (c) SJM Holdings Limited (stock code: 880) until May 2021.

As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, Mr. SHEK did not hold any directorships in other public listed companies in the last 3 years and he does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) nor does he have any interests in the Shares within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment issued by the Company to Mr. SHEK, his term of office is 3 years. He is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles.

Mr. SHEK was paid HK\$220,000 as Director's fee for the year ended 31 March 2022. The emoluments of Mr. SHEK were determined by reference to his duties and responsibilities with the Company and the prevailing market conditions.

As far as the Directors are aware and save as disclosed above, there is no other information of Mr. SHEK to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rule; and there are no other matters concerning Mr. SHEK that need to be brought to the attention of the Shareholders.



The following is an explanatory statement required by the Listing Rules to be sent to Shareholders to enable them to make an informed decision on whether to vote for or against ordinary resolution no. 8 to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

## 1. LISTING RULES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully paid up shares on the Stock Exchange, subject to certain restrictions, the most important of which are summarized below:

### (a) Shareholders' Approval

The Listing Rules provide that all on-market repurchases of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchases.

### (b) Source of Funds

Repurchases must be made out of funds which are legally available for the purpose and in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

### (c) Maximum Number of Securities to be Repurchased

The shares proposed to be repurchased must be fully-paid up. A maximum of 10% of the existing number of issued shares of the company as at the date of passing of the relevant resolution may be repurchased on the Stock Exchange.

## 2. ISSUED SHARES

As at the Latest Practicable Date, the existing number of issued Shares was 2,419,618,679.

Subject to the passing of ordinary resolution no. 8 granting the Repurchase Mandate and assuming that the existing number of issued Shares remains at 2,419,618,679 as at the date of the AGM, the Company will be allowed to repurchase a maximum of 241,961,867 Shares, being 10% of the total number of issued Shares as at the date of passing of the resolution.

## 3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

#### 4. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum and Articles of Association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 March 2022 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchased period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirement of the Company or gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. SHARE PRICES

The highest and lowest prices at which Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2021</b>		
July	3.18	2.93
August	3.12	2.68
September	2.85	2.56
October	2.75	2.57
November	2.61	2.39
December	2.84	2.36
<b>2022</b>		
January	2.95	2.76
February	2.90	2.63
March	2.70	2.39
April	2.68	2.39
May	2.46	2.30
June	2.55	2.27
July (up to the Latest Practicable Date)	2.63	2.49

## 6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) presently intend to sell any Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

## 7. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, when a Shareholder, or a group of Shareholders acting in concert, could then obtain or consolidate control of the Company, he/they shall become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Chiu Family held 1,498,991,897 Shares, representing approximately 61.95% of the existing issued Shares. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the shareholding of the Chiu Family in the Company would increase to approximately 68.84% of the issued Shares. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the Company's issued shares would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of issued Shares in public hands.

## 8. SHARES REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

The following is a summary of principal terms of the New Share Option Scheme to be approved at the AGM. It does not form part of, nor is it intended to be part of, the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme required to be included in the New Share Option Scheme as required by the Listing Rules.

## 1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide incentives or rewards to the Participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

## 2. PARTICIPANTS

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of Participants, to take up Options to subscribe for Shares:

- (a) any Eligible Employee;
- (b) any non-executive director (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any joint venture partner, business or strategic alliance partner, in each case, of any member of the Group or any Invested Entity; and
- (h) any discretionary trust whose discretionary objects may be any person belonging to any of the above classes (a) to (g).

The basis of eligibility of any of the above classes of Participants to the grant of any Options shall be determined by the Directors from time to time on the basis of their contribution to the development and growth of the Group and the Invested Entity.

**3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

- (3.1) The maximum number of Shares to be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the issued share capital of the Company from time to time.
- (3.2) The total number of Shares which may be issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option schemes of the Company) to be granted under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the Shares in issue as at the date of passing of the ordinary resolution (the "General Scheme Limit").
- (3.3) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.4) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company under the limit as "refreshed" must not exceed 10% of the Shares in issue as at the date of approval of such limit and for the purpose of calculating the limit as "refreshed", Options (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of New Share Option Scheme and any other share option schemes of the Company) previously granted under the New Share Option Scheme and any other share option schemes of the Company will not be counted.
- (3.4) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.3) above, the Company may seek separate Shareholders' approval in general meeting to grant Options beyond the General Scheme Limit or, if applicable, the limit referred to in (3.3) above to Participants specifically identified by the Company before such approval is sought.

**4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT**

The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the New Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding Options) to each Participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being (the "Individual Limit"). Any further grant of Options to a Participant in excess of the Individual Limit (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant must be subject to the Shareholders' approval in general meeting of the Company with such Participant and his or her associates abstaining from voting. The number and terms (including the Subscription Price) of the Options to be granted to such Participant

must be fixed before Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Options should be taken as the date of Offer for the purpose of calculating the Subscription Price.

## 5. GRANT OF OPTIONS TO CONNECTED PERSONS

(5.1) Any grant of Options under the New Share Option Scheme to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or substantial Shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options).

(5.2) Where any grant of Options to a substantial Shareholder or an independent non-executive Director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the relevant class of Shares in issue; and
- (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such further grant of Options must be approved by the Shareholders. All Connected Persons of the Company must abstain from voting at such general meeting, except that any Connected Person may vote against the relevant resolution at the general meeting provided that his or her intention to do so has been stated in the relevant circular.

For the purpose of seeking Shareholders' approval in general meeting under subparagraphs (3.3) and (3.4), paragraph 4 and sub-paragraph (5.2) above, the Company must send a circular to the Shareholders containing the information required under the Listing Rules.

## 6. TIME OF ACCEPTANCE AND EXERCISE OF AN OPTION

An Offer may be accepted by a Participant within 30 days from the Offer Date. A consideration of HK\$1 is payable on acceptance of the Offer. An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each Grantee, which period may commence on the day on which the Offer is made but shall end in any event not later than 10 years from the Offer Date subject to the provisions for early termination thereof (the "Option Period").

Unless the Directors otherwise determined and stated in the Offer to a Participant, there is no minimum period for which an Option granted under the New Share Option Scheme must be held before it can be exercised.

#### **7. PERFORMANCE TARGETS**

Unless the Directors otherwise determined and stated in the Offer to a Participant, a Participant is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised.

#### **8. SUBSCRIPTION PRICE FOR SHARES**

The Subscription Price in respect of any particular Option shall be such price as determined by the Board in its absolute discretion at the time of the making of the Offer (which shall be stated in the letter containing the Offer) but in any case the Subscription Price shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Trading Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share. Without prejudice to the generality of the foregoing, the Board may grant Options in respect of which the Subscription Price is fixed at different prices for different periods during the Option Period provided that the Subscription Price for each of the different periods shall not be less than the Subscription Price determined in the manner set out herein.

#### **9. LIFE OF THE NEW SHARE OPTION SCHEME**

Subject to paragraph 17, the New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme is conditionally adopted by the Company at a general meeting of the Shareholders.

#### **10. RANKING OF SHARES**

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue as from the day when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date when the name of the Grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date when the name of the Grantee is registered on the register of members of the Company, provided always that when the date of exercise of the Option falls on a day upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day on which the register of members of the Company is re-opened. A Share allotted upon the exercise of an Option shall not carry voting rights until the completion of the registration of the Grantee as the holder thereof.

**11. TRANSFERABILITY OF OPTIONS**

An Option is personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

**12. RIGHTS ATTACHING TO OPTIONS****(12.1) Rights on ceasing employment**

If the Grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death or termination of employment on one or more grounds referred to in sub-paragraph (12.3) below before exercising his or her Option in full, the Grantee shall be entitled to exercise his or her Option up to his or her entitlement at the date of cessation of being an Eligible Employee (to the extent not already exercised) in whole or in part within the period of 6 months following the date of such cessation, which date shall be the last actual working day on which the Grantee was at work with the Group or the Invested Entity on which salary is paid whether in lieu of notice or not, or such longer period as the Board may in its absolute discretion determine.

**(12.2) Rights on death**

If the Grantee of an Option ceases to be a Participant by reason of death before exercising the Option in full (provided that none of the events which would be a ground for termination of his or her employment under sub-paragraph (12.3) below arises prior to his or her death), the legal personal representative(s) of this Grantee shall be entitled within a period of 12 months from the date of death (or such longer period as the Board may determine) to exercise the Option (to the extent which has become exercisable and not already exercised).

**(12.3) Rights on dismissal**

If the Grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason that he or she has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Eligible Employee's service contract with the Company or the relevant subsidiary or the relevant Invested Entity, his or her Option will lapse automatically on the date the Grantee ceases to be an Eligible Employee.



**(12.4) Rights on breach of contract**

If the Directors at their absolute discretion determine that the Grantee (other than an Eligible Employee) or his or her associate has committed any breach of any contract entered into between the Grantee or his or her associate on the one part and the Group or any Invested Entity on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her creditors generally, the Directors shall determine that the outstanding Options granted to the Grantee shall lapse. In such event, his or her Options will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

**(12.5) Rights on a general offer**

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, *mutatis mutandis*, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a Grantee shall be entitled to exercise his or her Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his or her Option at any time before the close of such offer (or any revised offer). Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

**(12.6) Rights on winding up**

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee (or where permitted under sub-paragraph (12.2), his or her legal personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time no later than two Business Days prior to the date on which such resolution is to be passed, exercise his or her Option (to the extent which has become exercisable and not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Share Option Scheme and shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his or her Option, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the Shares in issue on the date prior to the date of the passing of the resolution to

wind-up the Company. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date of the commencement of the winding-up of the Company.

**(12.7) Rights on compromise or arrangement between the Company and its members and/or creditors**

In the event of a compromise or arrangement between the Company and its members and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all Grantees (together with a notice of the existence of the provision of this paragraph) on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee (or where permitted under sub-paragraph (12.2), his or her legal personal representative(s)) shall be entitled to exercise all or any of his/her Option in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all Grantees to exercise their respective Option shall forthwith be suspended. Upon such compromise or arrangement become effective, all Options shall, to the extent that they have not been exercised, lapsed and determined. The Board shall endeavour to procure that the Shares issued as a result of the exercise of Option in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the Grantees to exercise their respective Option shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by the Company and no claim shall be lie against the Company, the Directors or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

**13. LAPSE OF OPTION**

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (a) the expiry of the periods or dates referred to in paragraphs 6 and 12; and
- (b) the date on which a breach of the provision of restriction on transfer and assignment of an Option referred to in paragraph 11 is committed.

**14. REORGANIZATION OF CAPITAL STRUCTURE**

In the event of any alteration in the capital structure of the Company whilst any Option may become or remains exercisable, whether by way of capitalisation issue, rights issue, open offer (if there is a price-dilutive element), consolidation, subdivision or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding adjustments (if any) shall be made in:

- (a) the number of Shares subject to the Options so far as unexercised; and/or
- (b) the Subscription Price; and/or
- (c) the maximum number of Shares referred to in paragraphs 3 and 4,

as an independent financial adviser or the auditors of the Company shall certify in writing to the Board to be in their opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issues relating to share option schemes, provided that any adjustments shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such adjustments shall remain the same as that to which he or she was entitled before such adjustments and no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value and no such adjustments will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction. In addition, in respect of any such adjustments as provided in this paragraph 14, other than any made on a capitalization issue, the independent financial adviser or auditors of the Company must confirm in writing to the Directors that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

**15. CANCELLATION OF OPTIONS**

Any cancellation of Options granted but not exercised shall require approval of the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the New Share Option Scheme and the Listing Rules. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under a scheme with available unissued Options (excluding the cancelled Options) within the limit approved by Shareholders as mentioned in paragraph 3. For the avoidance of doubt, Options which have been exercised shall not be included as cancelled Options.

**16. RESTRICTION ON THE TIME OF GRANT OF OPTIONS**

A grant of Options may not be made after inside information has come to the Company's knowledge until (and including) the trading day after the Company has

announced the information. In particular, no Options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange under the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, quarterly or any other interim period (whether or, not required under the Listing Rules),

and ending on the date of the results announcement.

#### **17. TERMINATION OF THE NEW SHARE OPTION SCHEME**

The Company may by resolution in general meeting at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

#### **18. ALTERATION OF THE NEW SHARE OPTION SCHEME**

(18.1) The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (a) the terms and conditions of the New Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of Grantees of the Options except with the prior approval of the Shareholders in general meeting;
- (b) any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme; and
- (c) any change to the authority of the Directors in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.

(18.2) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

Details of the proposed amendments are as follows to the Memorandum and Articles of Association are set out as follows:

<b>Clause No.</b>	<b>Proposed amendments (showing changes to the existing Memorandum and Articles of Association)</b>
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Cover page	The Companies Law Act (Chapter 22) (As Revised)
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Company Limited by Shares

**AMENDED AND**  
**RESTATED**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**Incorporated on the 3rd day of April, 1990**

(Adopted by special resolution dated [●] 2022)

Clause No. Proposed amendments (showing changes to the existing Memorandum of Association)

Heading **THE COMPANIES ~~LAW~~ACT (As Revised)**

*Company Limited by Shares*

**AMENDED AND RESTATED**

**MEMORANDUM OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

*(Adopted by special resolution dated [●] 2022)*

2. ~~The Registered Office of the Company will be situated at the offices of Caledonian Bank & Trust Limited, P.O. Box 1043, Ground Floor, Caledonian House, Mary Street, George Town, Grand Cayman, Cayman Islands, British West Indies Sterling Trust (Cayman) Limited, P.O. Box 1043, Whitehall House, 238 North Church Street, George Town, Grand Cayman KY1-1102, Cayman Islands.~~
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 6(4) of ~~the Companies Law Act, Chapter 22~~ as revised ~~amended~~.
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 26(2) of the Companies ~~Law Act, Chapter 22~~ as amended ~~revised~~.
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Act (as revised) Law, 1989, or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act Law 1979 (as amended as revised), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act (as revised) Law, 1984.

7. Subject to and in accordance with the provisions of the Companies ~~Law Act, Chapter 22~~ as revised, the Company shall have power to make or implement any arrangement or scheme involving the registration of the Company by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands.
9. The capital of the Company is HK\$400,000,000.00 divided into 4,000,000,000 shares of a nominal or par value of HK\$0.10 each Companies ~~Law Act, Chapter 22 as amended~~ as revised and the Articles of Association the Company shall have power to redeem or purchase any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
10. The financial year of the Company shall end on 31 March each year and shall begin on 1 April each year.

Article No. Proposed amendments (showing changes to the existing Articles of Association)

Heading

CAYMAN ISLANDS

**THE COMPANIES LAW ACT (CHAPTER 22) (As Revised)**

Company Limited by Shares

**AMENDED AND RESTATED**

**ARTICLES OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

(Adopted by special resolution dated [●] 2022)

**PRELIMINARY**

1. The Regulations contained or incorporated in Table A in the Schedule to the Companies Law Act (Chapter 22 as revised) shall not apply to the Company.
2. The marginal notes hereto shall not affect the construction hereof. In these Articles the words and expressions set out in the first column below shall, if not inconsistent with the subject or context, bear the meanings set opposite to them respectively:-

<u>“Ordinary Resolution”</u>	<u>A resolution which has been passed by a simple majority of the votes cast by such members as, being entitled to do so, vote in person or by proxy at a general meeting of the Company;</u>
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“the Statutes”	The Companies Law Act (Chapter 22 as revised) and every other Statute from time to time in force in the Cayman Islands applying to or affecting the Company, its Memorandum of Association and or these Articles;
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“Special Resolution”	A resolution which has been passed by a majority of not less than three-fourths (3/4) of the voting rights held by such members as, being entitled to do so, vote in person or by proxy at a gGeneral mMeeting of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with Article 60;
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“Companies Ordinance”                      the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time.

- 12.(A)      The Directors shall cause a Register to be kept at the Company’s principal place of business in Hong Kong or at such other place as the Board may from time to time determine and there shall be entered therein the particulars required under the Statutes. Except when a register is closed in accordance with the relevant section(s) of the Companies Ordinance, the Register and any Branch Register kept pursuant to paragraph (B) of this Article shall be open for inspection by members. The Register including any overseas or local or other branch register of members in Hong Kong may, after notice has been given by advertisement in an appointed newspaper or any other newspapers and the requirements of the stock exchange on which the share capital of the Company is listed or by any electronic means in such manner as may be accepted by the stock exchange on which the share capital of the Company is listed to that effect, be closed in accordance with the terms equivalent to section 632 of the Companies Ordinance at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.
- 16.(A)      Subject to the Statutes, the special rights attached to any class of shares for the time being forming part of the capital of the Company may be varied or abrogated ~~either while the Company is a going concern or during or in contemplation of a winding-up,~~ with the consent in writing of the holders of at least three-fourths (3/4) of the voting rights in nominal value of the issued shares of that class, or with the ~~sanction~~ approval of a ~~Special r~~Resolution passed by at least three-fourth (3/4) of votes cast by the ~~at a separate meeting of holders of the shares of that class present and votes in person or by proxy at a separate meeting of such holders.~~ To every such separate meeting all the provisions of these Articles relating to ~~g~~General ~~m~~Meetings of the Company or the proceedings thereat shall apply mutatis mutandis ~~apply~~, except that the necessary quorum shall be two persons ~~at least~~ holding or representing by proxy ~~of at least one-third (1/3) in nominal value~~ of the issued shares of the class ~~(but so that if at any adjourned meeting of such holders a quorum as above defined is not present any two persons holding or representing by proxy shares of the class shall be a quorum, whatever the number of shares held by them);~~ and that every holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him and shall be entitled to demand a poll.
40.              The registration of transfers may, on giving notice by advertisement pursuant to these Articles, be suspended at such times and for such periods as the Board may from time to time determine, and either generally or in respect of any class of shares, provided always that such registration shall not be suspended for more than thirty (30) days in any year or, with the approval of the Company in ~~g~~General ~~m~~Meetings, sixty (60) days in any year.

56. The Company shall in each financial year hold a gGeneral mMeeting as its aAnnual gGeneral mMeeting; and such annual general meeting shall be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the relevant rules of the stock exchange on which the share capital of the Company is listed, if any.)not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and the next. Notwithstanding the foregoing, the first Annual General Meeting of the Company may be held at any time within eighteen (18) months of its incorporation. A meeting of members of the Company or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.
57. Any gGeneral mMeeting other than an aAnnual gGeneral mMeeting shall be called an eExtraordinary gGeneral mMeeting.
- 58.(A) Subject to the provisions of paragraph (B) below, all gGeneral mMeetings shall be held at such time and place as the Board may determine (including annual general meeting, any adjourned meeting or postponed meeting) may be held in such manner either (a) as a physical meeting in any part of the world and at one or more locations, or (b) as a hybrid meeting, or (c) as an electronic meeting, as may be determined by the Board in its absolute discretion.
- 58(B)(i). The Board shall, on the requisition of members One or more member(s) of the Company (including a recognized clearing house (or its nominees)) holding at the date of the deposit of the requisition not less than in aggregate at least one-tenth (1/10) of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting rights, on a one vote per share basis, in the share capital at General Meetings of the Company, forthwith proceed duly to convene an Extraordinary General Meeting of the Company may make a written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and add resolutions to the meeting agenda.
59. The Board may, whenever they think fit, convene an eExtraordinary gGeneral mMeeting, and an eExtraordinary gGeneral mMeeting shall also be convened upon any requisition made in accordance with these Articles, or in default may be convened by such requisitionists as thereby provided. Any meeting convened by requisitionists as aforesaid shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.

60. In the case of an ~~a~~Annual ~~g~~General ~~m~~Meeting ~~or a meeting convened for the purpose of passing a Special Resolution,~~ twenty-one (21) clear days' notice at the least, and in any other case (including an extraordinary general meeting) fourteen (14) clear days' notice at the least, shall be given to all the members and to the Auditors for the time being of the Company. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify ~~the place,~~ (a) daytime and date and ~~the hour~~ of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board, the principal place of the meeting and the other place(s) of the meeting, (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting (which electronic facilities or electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, any see fit) or where such details will be made available by the Company prior to the meeting and ~~shall contain~~ (d) the particulars of the rResolutions to be considered at such meeting; in the case of special business, the general nature of that business and such notice shall be given in manner hereinafter mentioned. Every notice of an ~~a~~Annual ~~g~~General ~~m~~Meeting shall specify the meeting as such and every notice of a meeting convened for passing a Special Resolution shall state the intention to propose such Resolution as a Special Resolution.
61. A meeting of the Company notwithstanding that it is called by shorter notice than that specified in the last preceding Article shall be deemed to have been duly called if it is so agreed:-
- (i) in the case of a meeting called as the ~~a~~Annual ~~g~~General ~~m~~Meeting, by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five (95) per cent in nominal value of the shares giving that right.
63. Subject to the provisions of the Statutes, it shall be the duty of the Company, on the requisition in writing of such number of members as is specified in these Articles and (unless the Company otherwise resolves) at the expense of the requisitionists:-
- (a) to give to members entitled to receive notice of the next ~~a~~Annual ~~g~~General ~~m~~Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

- (b) to circulate to members entitled to have notice of any gGeneral mMeeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
65. All business shall be deemed special that is transacted at an eExtraordinary gGeneral mMeeting and also all business that is transacted at an aAnnual gGeneral mMeeting, with the exception of the receipt and consideration of the profit and loss account, the balance sheet and group accounts (if any) of the Company and the reports of the Board and Auditors and other documents required to be annexed to the balance sheet, the declaration of dividends, the election of Directors and other officers in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Auditors.
67. Save as in these Articles otherwise provided, three members present (including attendance by electronic means) (in the case of individual) in person or (in the case of a member being a corporation) represented by a representative duly authorized by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorized representatives or proxies and entitled to vote shall be a quorum. No business shall be transacted at any gGeneral mMeeting unless a quorum is present.
68. If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. If otherwise convened it shall stand adjourned to the same day in the next week (or if that day be a public holiday in Hong Kong, then to the next business day following such public holiday), at the same time and (where applicable) same place(s) or to such other day and at such other time and (where applicable) place(s) and in such form and manner referred to in Article 58 as the chairman of the meeting (or in default, the Board) may determine and no notice of such adjournment need be given and at such adjourned meeting the members present (whether in person or by proxy), not being less than two, shall be a quorum.
69. The Chairman of the Board (if any), or in his absence the Deputy Chairman of the Board (if any), shall preside as Chairman at every gGeneral mMeeting, but if there is no such Chairman or Deputy Chairman, or if neither of them is present within ten (10) minutes after the time appointed for holding the meeting or if neither of them shall be willing to act as Chairman, the Directors present shall choose one of their number to act as Chairman of such meeting, and if there be no Director chosen who shall be willing to act, the members present in person and entitled to vote shall choose one of their own number to act as Chairman at such meeting.

70. The Chairman of the meeting may, with the consent of the meeting, and if directed by the meeting shall, adjourn the meeting from time to time or sine die and from place to place(s) and/or from one form to another (physical meeting, hybrid meeting or electronic meeting), but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Board. When a meeting is adjourned for thirty (30) days or more or sine die, seven (7) days' notice at the least of the adjourned meeting shall be given in like manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
71. Every question submitted to a ~~g~~General ~~m~~Meeting shall be determined in the first instance by a show of hands of the members present in person, unless a poll is taken as may from time to time be required under the rules of the stock exchange on which the share capital of the Company is listed but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the Chairman or by:-
- 71.A ~~Where the Company has knowledge that~~ All members of the Company (including a member which is a clearing house (or its nominee(s))) shall have the right to speak and vote at a general meeting except where a member is required by the rules of the stock exchange on which the share capital of the Company is listed to abstain from voting to approve the matter under consideration. Where any member is, under the Statutes or the rules of the stock exchange on which the share capital of the Company is listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.
78. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, at any general meeting on a show of hands ~~(a)~~ every member who (being an individual) is present in person or (being a corporation) is represented by proxy shall have the right to speak; (b) on a show of hands every member present in such manner or in accordance with the Statutes shall have one vote and on a poll every member present in person or by proxy in such manner shall have one vote for every share held by him. Votes (whether on a show of hands or by way of a poll) may be cast by such means, electronic or otherwise, as the Board or the chairman of the meeting may in its/his sole discretion determine.

79. Any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative and attend and vote at any general meeting of the Company, or at any meeting of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise as if it were an individual member of the Company and references in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.
- 79.(A) If a clearing house or a nominee of clearing house is a member of the Company, it may appoint or authorise such person or persons as it thinks fit to act as its proxies or corporate representative, who enjoy rights equivalent to the rights of other members, or representatives to attend at any meeting of the Company (including but not limited to general meetings and creditors meetings) or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised under the provision of these Articles shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as the clearing house (or its nominee) could exercise as if it were an individual member of the Company a natural person member holding the number and class of shares specified in such authorisation, including the right to speak and vote individually on a show of hands or on a poll.
82. No member shall unless the Board otherwise determine be entitled to vote at any gGeneral mMeeting either personally or by proxy, or to exercise any privilege as a member unless all calls or other sums immediately payable by him in respect of shares in the Company have been paid.
84. A member (including a corporation) shall be entitled to appoint another person as his proxy (being a natural person) or representative (if such member is a corporation) to attend and vote instead of such member. A corporation which is a member may execute a form of proxy under the hand of a duly authorised officer. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy or representative need not be a member of the Company. In addition, a proxy/proxies or representative/representatives representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise as if it were an individual member present in person at any general meeting.

86. (A) The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Articles) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.
- (B) The instrument appointing a proxy and, if required by the Company, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy or office copy of such power or authority, shall be deposited at the Company's principal place of business in Hong Kong or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting or in any instrument of proxy sent by the Company in relation to the meeting, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

88. Instruments of proxy shall be in any common form or in such other form as the Board may approve provided that it shall not preclude the use of two-way proxy form by which a member may, according to his intention, instruct the proxy to vote in favour of or against (or, in default of intentions, to exercise his discretion in respect of) each resolution dealing with any such business. The instrument of proxy, which need not be witnessed, shall be deemed to confer authority to demand or join in demanding a poll and to vote on ~~any amendment~~ of a resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. The Board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under these Articles has not been received in accordance with the requirements of these Articles. Subject to aforesaid, if the proxy appointment and any of the information required under these Articles is not received in the manner set out in these Articles, the appointee shall not be entitled to vote in respect of the shares in question.
89. (A) The Board shall at the expense of the Company send with all notices convening ~~g~~General ~~m~~Meetings or meetings of any class of members of the Company to the members entitled to vote thereat instruments of proxy (with or without prepaid postage) with provision for two-way voting on all resolutions intended to be proposed other than resolutions which are merely procedural or relate to the fixing of Auditors' remuneration.
92. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at ~~g~~General ~~m~~Meetings or meetings of the holders of any class of shares.



93. Any Director may at any time and from time to time appoint any other Director or appoint any other person approved by a majority of the other Directors for the time being to be his alternate, and may at any time remove any alternate Director appointed by him and (subject to such approval as aforesaid) appoint another in his place. An alternate Director shall not be entitled to receive any remuneration from the Company, nor shall it be necessary for him to acquire or hold any share qualification, but he shall be entitled (subject to his giving to the Company an address within Hong Kong at which notices may be served on him) to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not present, and generally at such meeting to exercise all the powers, rights, duties and authorities of the Director appointing him. A Director who is also an alternate Director shall be entitled in addition to his own vote to a separate vote on behalf of the Director appointing him. An alternate Director may be removed from office by a resolution of the Board, and shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. Provided that if any Director retires at a gGeneral mMeeting but is re-elected by the meeting or is, pursuant to the provisions of these Articles, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after such re-election as if he had not so retired. Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. All appointments and removals of alternate Directors made by any Director in pursuance of this Article shall be in writing under the hand of the Director making the same and shall be sent to or left at the Company's principal place of business in Hong Kong.
94. The remuneration of the Directors shall be such sum or sums as the Company may in gGeneral mMeeting from time to time determine. Such remuneration shall be deemed to accrue from day to day. The Board shall obtain the approval of the Company in gGeneral mMeeting before making any payment (not being a payment to which the Director is contractually entitled) to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office.
95. The Directors shall be entitled to be paid all travelling, hotel and other expenses properly incurred by them in or with a view to the performance of their duties or in attending gGeneral mMeetings or meetings of the Board or Committees of the Board.

102. The business of the Company shall be managed by the Board, who may exercise all such powers of the Company and do on behalf of the Company all such acts as are within the scope of the Memorandum and Articles of Association of the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in gGeneral mMeeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the said regulations or provisions, as may be prescribed by the Company in gGeneral mMeeting, but no regulation made by the Company in gGeneral mMeeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
105. (A) In this Article:-
- (i) “net assets”, in relation to the Company, means the aggregate of the Company’s assets less the aggregate of its liabilities, as shown by the latest balance sheet the Company laid before the Company in gGeneral mMeeting;
  - (ii) “relevant company” means:-
    - (a) a company formed and registered under the Companies Ordinance of Hong Kong (~~Chapter 32 of the Laws of Hong Kong as in force at the date of adoption of these Articles~~), or a company formed and registered under the Companies Ordinance 1865 of Hong Kong or the Companies Ordinance 1911 of Hong Kong; and
  - (iii) “holding company” of a body corporate or corporation shall be read as a reference to a body corporate or corporation of which that last mentioned body corporate or corporation is a subsidiary (as defined in the Companies Ordinance of Hong Kong (~~Chapter 32 of the Laws of Hong Kong~~) as in force at the date of adoption of these Articles).
- (D) Subject to paragraph (F) of this Article, the exception specified in sub-paragraph (C)(ii) of this Article shall operate only if either of the following conditions is satisfied:-
- (i) the thing in question is done with the prior approval of the Company given at a gGeneral mMeeting at which the purpose of any expenditure and the amount of any loan to be made by the Company or the extent of the Company’s liability under any guarantee to be given by the Company or, as the case may be, in respect of any security to be provided by the Company are disclosed; or

- (ii) that thing is done on condition that, if the approval of the Company is not so given at or before the next following aAnnual gGeneral mMeeting, the loan shall be repaid or that liability discharged within six (6) months from the conclusion of that Meeting.
106. Subject to Article 115(B) and to the other provisions of these Articles at the aAnnual gGeneral mMeeting in each year one-third (1/3) of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third (1/3), shall retire from office. A retiring Director shall retain office until the conclusion of the meeting or adjourned meeting at which he is due to retire.
111. Except so far as the Statutes otherwise allow, at a gGeneral mMeeting the appointment of Directors shall be voted on individually.
112. The Board shall have power at any time, and from time to time, to appoint any person as a Director, either to fill a casual vacancy, or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed by the Board shall retire at the next hold office only until the first aAnnual gGeneral mMeeting of the Company after his appointment but and shall then be eligible for re-election at the meeting and any Director who so retires shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.
113. The members of the Company may by Ordinary Resolution remove any Director before the expiration of his period term of office as Director (including a managing director or an executive Director but without prejudice to any claim he may have for damages under any contract between him and the Company) and may by Ordinary Resolution appoint another person to be a Director in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.
119. The Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall be a quorum. A Director may participate in a meeting of the Board by means of a conference telephone, electronic facilities or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.

120. The continuing Directors may act notwithstanding any vacancy in their body. Provided that in case the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for the continuing Director or Directors to act for the purpose of filling vacancies or summoning a gGeneral mMeeting, but not for any other purpose.
136. (A) In respect of any dividend declared or sanctioned by the Board or proposed to be declared or sanctioned by the Company in gGeneral mMeeting the Board may determine and announce, prior to or contemporaneously with the declaration or sanction of the dividend in question (and provided that an adequate number of unissued shares are available for the purpose):-
144. Any gGeneral mMeeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, or in anyone or more of such ways, and the Board shall give effect to such resolution, and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Board and may appoint any person to sign any instruments of transfer and any other documents deemed to be expedient by the Board on behalf of the persons entitled to the dividend and such appointment shall be effective.
149. (A) The Directors shall lay before the Company at its aAnnual gGeneral mMeeting a profit and loss account for the period since the preceding account made up to a date not earlier than the date of the meeting by more than twelve (12) months.
- (B) The Directors shall cause to be made out and to be laid before the Company at its aAnnual gGeneral mMeeting a balance sheet as at the date to which the profit and loss account is made up.
150. (A) The Auditors shall make a report to the members on the accounts examined by them, and on every balance sheet, every profit and loss account and all group accounts laid before the Company in gGeneral mMeeting during their tenure of office.
- (B) The Auditors' report shall be read before the Company in gGeneral mMeeting and shall be open to inspection by any member.

151. A printed copy of the Directors' and Auditors' reports accompanied by copies of the balance sheet, profit and loss account and other documents required by law to be annexed to the balance sheet, shall, not less than twenty-one (21) clear days before the ~~a~~Annual ~~g~~General ~~m~~Meeting, be delivered or sent by post to the registered address of every member and holder of debentures of the Company, to the Auditors, and to every other person who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or these Articles.
152. Every account of the Board when audited and approved by an ~~a~~Annual ~~g~~General ~~m~~Meeting shall be conclusive except as regards any error discovered therein within three (3) months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and thenceforth shall be conclusive.
153. ~~Auditors shall be appointed and their duties regulated as may be determined from time to time by the Board. Members of the Company shall at every annual general meeting by Ordinary Resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an Ordinary Resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the members of the Company by Ordinary Resolution at the annual general meeting, by other body that is independent of the Board or, unless prohibited by the rules of the stock exchange on which the share capital of the Company is listed, in the manner specified in the members of the Company's resolution. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. Subject to compliance with the rules of the stock exchange on which the share capital of the Company is listed, the Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. Any Auditor so appointed by the Directors shall hold office only until the next general meeting is called for the purpose of the appointment of an Auditor or until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Subject to compliance with the rules of the stock exchange on which the share capital of the Company is listed, the remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.~~

154. A notice may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the Register or by advertisement in a newspaper or newspapers circulating in Hong Kong, or by sending or transmitting it as an electronic communication to the member at such electronic address as he may provide under this Article, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person. Every member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.

161. Subject to the applicable Statutes, members of the Company may by Special Resolution resolve that the Company be wound up voluntarily.

If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and with any other sanction required by the Statutes, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### FINANCIAL YEAR

164. Unless the Board otherwise determines, the financial year of the Company shall end on 31 March each year and shall begin on 1 April each year.

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED****遠東發展有限公司\****(Incorporated in the Cayman Islands with limited liability)**Website: <http://www.fecil.com.hk>***(Stock Code: 35)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “Meeting”) of Far East Consortium International Limited (the “Company”) will be held at Theatre R1 & R2, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 August 2022 at 11:00 a.m. for the following purposes:

1. To receive and adopt the Company’s audited financial statements and the reports of the Company’s directors (the “Directors”) and auditor for the year ended 31 March 2022.
2. To declare a final dividend of HK\$0.16 per share for the year ended 31 March 2022 (the “Proposed Final Dividend”).
3. To re-elect Mr. Craig Grenfell WILLIAMS as an Executive Director.
4. To re-elect Mr. Lai Him Abraham SHEK as an Independent Non-executive Director.
5. To authorize the board of Directors (the “Board”) to fix the respective Directors’ remuneration.
6. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorize the Board to fix their remuneration.
7. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

**“THAT:**

- (i) subject to paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “Shares”) and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* For identification purposes only

- (ii) the approval in paragraph (i) of this resolution shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to:
  - (a) a Rights Issue (as hereinafter defined);
  - (b) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company (the "Articles") from time to time; or
  - (c) an issue of Shares upon the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the granting or issue to employees and/or other eligible persons of the Company and/or any of its subsidiaries of any options to subscribe for, or rights to acquire Shares;

shall not exceed 20% of the total number of issued Shares as at the date of passing of this resolution, and the said approval shall be limited accordingly;

- (iv) subject to the passing of each of the paragraphs (i), (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i), (ii) and (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (v) for the purposes of this resolution,

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the "Shareholders") in general meeting.



“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to the holders of Shares whose name appear, on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

8. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“THAT:

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the regulations of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) be and is hereby generally and unconditionally approved;
- (ii) the total number of Shares which may be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total number of issued Shares as at the date of passing of this resolution and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution, which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - (a) the conclusion of the next annual general meeting of the Company;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
  - (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

9. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“**THAT** subject to the passing of the resolutions nos. 7 and 8 set out in the notice convening the Meeting (the “Notice”), the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares pursuant to resolution no. 7 set out in the Notice be and is hereby extended by the addition to the total number of Shares repurchased by the Company under the authority granted pursuant to resolution no. 8 set out in the Notice, provided that such amount of Shares so repurchased shall not exceed 10% of the total number of issued Shares as at the date of passing of this resolution.”

10. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“**THAT**, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the approval for the listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (i) below) to be issued pursuant to this resolution:

- (i) an amount standing to the credit of the share premium account of the Company would be required to be applied in paying up in full at par such number of new shares of HK\$0.10 each in the capital of the Company (the “Share(s)”), such Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (ii) below) among shareholders of the Company whose names appear on the register of members of the Company (except for excluded shareholders (as defined in paragraph (ii) below) on Wednesday, 14 September 2022 (the “Record Date”) on the basis of one (1) new Share (“Bonus Share(s)”) for every ten (10) existing Shares then held by the shareholders of the Company on the Record Date, be capitalised and applied in such manner and the Directors be and are hereby authorised to allot and issue such Bonus Shares (the “Bonus Issue”);
- (ii) in the case where there is any shareholders whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong and in respect of whom the Directors consider the exclusion from the Bonus Issue to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of a regulatory body or stock exchange in that (those) place(s) (the “Non-qualifying Shareholders”), the Directors be and are hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to such Non-qualifying Shareholders to be sold in the market as soon as practicable after dealings in the Bonus Shares commence, and distribute the net proceeds of sale, after deduction of the related expenses, of HK\$100 or more in Hong Kong

dollars to the relevant Non-qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor by post, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100, in which case the Directors be and are hereby authorised to retain such amount for the benefit of the Company;

- (iii) no fractional Bonus Shares shall be allotted to shareholders of the Company and fractional entitlements (if any) will be aggregated, sold and retained for the benefit of the Company, where applicable;
  - (iv) the Bonus Shares to be allotted and distributed pursuant to paragraph (i) above shall rank *pari passu* in all respects with the Shares as at the date of issue of such Bonus Shares including the entitlement to dividends and other distributions the record date for which is on or after the date of allotment and issue of the Bonus Shares; and
  - (v) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares referred to in paragraphs (i) to (iv) of this resolution, including but not limited to determining the amount to be capitalised out of the share premium account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraphs (i) to (iv) of this resolution.”
11. To consider as special business and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution:

“**THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company (the “New Share Option Scheme”, a copy of which marked “A” is produced to the meeting and for the purposes of identification signed by the Chairman thereof), the New Share Option Scheme be and is hereby approved and adopted and the Board be and is hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme, including but without limitation:

- (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for Shares;
- (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
- (iii) to issue and allot from time to time such number of Shares in the capital of the Company which may fall to be issued and allotted pursuant to the

exercise of the options granted under the New Share Option Scheme, provided always that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the issued share capital of the Company as at the date of passing of this resolution, but the Company may seek approval of its shareholders in general meeting for refreshing the 10% limit under the New Share Option Scheme, and provided also that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time;

- (iv) to make applications at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of and permission to deal in any Shares which may hereafter from time to time be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme; and
  - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme."
12. To consider and, if thought fit, pass with or without modification, the following resolution as a special resolution:

#### SPECIAL RESOLUTION

"**THAT** the amended and restated memorandum and articles of association of the Company (the "New Memorandum and Articles of Association") (a copy of which has been produced to this meeting and marked "B" and initialled by the chairman of this meeting for the purpose of identification) be and are hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing memorandum and articles of association of the Company with immediate effect after the close of this meeting and that any one Director and the company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the New Memorandum and Articles of Association of the Company."

By order of the Board of  
**Far East Consortium International Limited**  
**Wai Hung Boswell CHEUNG**  
*Company Secretary*

Hong Kong, 28 July 2022

*Notes:*

- a. For determining the entitlement to attend and vote at the Meeting, the Register of Members of the Company will be closed from Thursday, 25 August 2022 to Tuesday, 30 August 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Meeting, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022), for registration not later than 4:30 p.m. on Wednesday, 24 August 2022.
- b. For determining the entitlement to the Proposed Final Dividend and Proposed Bonus Issue, the Register of Members of the Company will also be closed from Wednesday, 7 September 2022 to Wednesday, 14 September 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for entitlement to the Proposed Final Dividend and Proposed Bonus Issue, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022), for registration not later than 4:30 p.m. on Tuesday, 6 September 2022.
- c. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company but must be present in person to represent the member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed.
- d. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) not less than 48 hours before the time appointed for holding the Meeting (i.e. not later than 11:00 a.m. on Sunday, 28 August 2022 (Hong Kong time)) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof if you so wish.
- e. Where there are joint registered holders of any Share, any one of such joint holders may vote, either in person, or by proxy, in respect of such Share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting or any adjournment thereof, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the name stands first in the Register of Members of the Company in respect of such joint holding.
- f. Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the Notice will be voted by poll at the Meeting.

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

In view of the recent developments of COVID-19 pandemic, and taking into consideration of the guidelines issued by the Government of Hong Kong, the Company will implement the following preventive measures at the Meeting to protect attending shareholders from the risk of infection:

- compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue;
- every shareholder or proxy is required to wear surgical face mask throughout the Meeting;
- every shareholder or proxy is required to scan “LeaveHomeSafe” venue QR code and comply with the Vaccine Pass requirements prior to entry into the meeting venue;
- no refreshment will be served; and
- no souvenirs will be distributed.

Any person who does not comply with the precautionary measures may be denied entry into the Meeting venue.

The Company wishes to remind all shareholders that physical attendance in person at the Meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the Meeting as their proxy to vote on the relevant resolutions at the Meeting as an alternative to attending the Meeting in person.

*This Circular, in both English and Chinese versions, is available on the Company’s website at [www.fecil.com.hk](http://www.fecil.com.hk).*

*Shareholders may at any time change their choice of language(s) (either English only or Chinese only or both languages) of the corporate communication(s) of the Company (the “Corporate Communication(s)”).*

*Shareholders may send their request to change their choice of language(s) of Corporate Communication(s) by notice in writing to the Company’s share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (which will be relocated to 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022).*

*Shareholders who have chosen to receive the Corporate Communication(s) in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.*